

**STATEMENT OF DOUGLAS M. BROWNING
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BEFORE
U.S. SENATE COMMITTEE ON COMMERCE, SCIENCE AND
TRANSPORTATION
SUBCOMMITTEE ON SURFACE TRANSPORTATION AND
MERCHANT MARINE
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PORTLAND, OREGON**

Senator Wyden, Senator Smith, thank you for your invitation to testify before this Subcommittee today. Since September 11th, Commissioner Bonner's top priority for the Customs Service has been responding to the terrorist threat at our seaports, land borders, and airports. His highest priority is doing everything we reasonably and responsibly can to keep terrorists and terrorist weapons from entering the United States.

Through our Customs Inspectors, Canine Enforcement Officers, and Special Agents we are doing just that: protecting and defending our country against the terrorist threat at all our ports of entry, including our seaports.

Since September 11th, Customs has been at a Level One alert across the country -- at all border entry points, including our seaports. Level 1 requires sustained, intensive anti-terrorist questioning, and includes increased inspections of travelers and goods at every port of entry. Because there is a continued threat that international terrorists will attack again, we remain at Level 1 alert to this day and will be at Level 1 for the foreseeable future.

To help ensure that Customs develops a coordinated, integrated counter-terrorism strategy for border and seaport security, Commissioner Bonner established a new Office of Anti-Terrorism. In an operational context and to support our Customs officers in the field, we have also established the Office of Border Security. The mission of that office is to develop more sophisticated anti-terrorism targeting techniques for passengers and cargo in each border environment and provide a single point of contact for events taking place in our field.

In approaching our primary priority to prevent terrorists and terrorist weapons from transiting our borders, Customs employs a "Defense in Depth" strategy. A layered approach for targeting and screening that essentially expands our perimeter of security to the point of origin. If terrorists were to succeed in concealing a weapon of mass destruction, even a crude nuclear device, among the tens of thousands of containers that enter U.S. ports every day, the devastation would be horrible to contemplate. And the impact on our global economy would be severe. As the primary agency for cargo security, U.S. Customs should know everything there is to know about a container headed for this country before it leaves a foreign port, such

as Rotterdam or Singapore, for an American port. Customs wants that container pre-screened there, not here.

A critical component of Customs overall “Defense in Depth” strategy is the implementation of the Container Security Initiative. The Container Security Initiative engages the ports that send the highest volumes of container traffic into the United States as well as governments in these locations, in a way that will facilitate detection of potential problems at their earliest possible opportunity.

The core elements of the Container Security Initiatives are the following:

- First, we must establish international security criteria for identifying high-risk cargo containers that potentially pose a risk of containing terrorists or terrorist weapons.
- Second, we must maximize the use of detection technology to pre-screen high-risk containers. Much of this technology already exists and is currently being used by the U.S. Customs Service. This technology will not only be used for inspection of U.S. Customs targeted cargo but also for cargo identified by other federal agencies such as the U.S. Coast Guard, Immigration and Naturalization Service, Food and Drug Administration and the Department of Agriculture.
- Third, we must develop and broadly deploy “smart” boxes – smart and secure containers with electronic seals and sensors that will indicate to Customs and to the private importers or carriers if particular containers have been tampered with, particularly after they have been pre-screened.

The vast majority of world trade – about 90% – moves in containers, much of it carried on oceangoing container ships. Nearly half of all incoming trade to the United States by value – about 46% – arrives by ship, and most of that is in containers. In Fiscal 2001, approximately 34,000 containers entered through the North Pacific CMC (Service Ports of Portland and Anchorage).

The effective use of technology depends largely on good targeting, for which we require advance information. Since September 11th, Customs has refocused resources and technology to increase the number and the type of cargo exams it performs. However, to some the overall number of examinations may still seem surprisingly low in proportion to the vast amount of trade we process. Yet it is important to note that the cargo Customs selects for intensive inspection is not chosen randomly. It is the result of a careful screening process, one that uses information culled from a vast database on shipping and trading activities known as the Automated Manifest System. Using targeting systems that operate within AMS, we are able to sort through the cargo manifests provided to Customs by shippers and carriers, and chose those shipments that appear unusual, suspect, or high-risk.

It is a system that has served us well, but one that can and must serve us better in light of September 11th.

Currently the submission of advanced shipping manifests to Customs is voluntary. We cannot rest our Nation's homeland security on the inconsistent submission of advance information that is often incomplete and sometimes inaccurate. Timely, accurate, and complete information is vital to homeland security and we should mandate it is provided in advance. Current legislation, such as S.1214 take us a major step closer to where we ultimately need to be, particularly for the Container Security Initiative – and that is to have full information on incoming cargo before it even leaves the foreign port. This information is needed for all imports and in-bond shipments.

The Customs Service is also seeking the inclusion of a six-digit harmonized tariff code in the manifest for in-bond shipments. The six-digit classification universally describes the goods to all governments that subscribe to the Harmonized system. Customs has had success in targeting in our entry system, using this level of detail. This level provides the specificity necessary to allow for finer targeting, which could translate into fewer examinations – a sort of reverse targeting to eliminate unnecessary and timely inspections. With less detailed information, however, the need to examine for potential threats increases, particularly as those shipments move in-bond.

As part of our immediate response to September 11th, Customs promptly sought, and the Congress promptly enacted, legislation that made the submission of data on incoming passengers to Customs' Advance Passenger Information System mandatory for all airlines. That law was passed last November as part of the Aviation and Transportation Security Act. Initially, the Commissioner ordered all international airlines flying into the U.S. from abroad to submit advance passenger information to Customs, or face 100% inspection of people and goods departing their flights. This enabled Customs to better secure advance passenger information on all incoming international flights before the new law took effect.

As you can glean from this list, technology and information are essential to a successful container security strategy and to our counter-terrorist mission in general. And to put it simply, the more technology and information we have, and the earlier in the supply chain we have them, the better.

Customs has a long history and working relationship with the trade community. Another Customs developed initiative is the Customs-Trade Partnership Against Terrorism, or "C-TPAT". C-TPAT builds on past, successful security models between Customs and the trade that were designed to prevent legitimate commercial shipments from being used to smuggle illegal drugs.

Customs also looks forward to the completion of the Automated Commercial

Environment, or ACE, which as you know is an extremely important project for the Customs Service. ACE, our new and comprehensive automation system, offers major advances in both the collection and sorting of border transaction data.

The terrorists have already exploited one key component of our transportation system: commercial aviation. It is not at all unthinkable that they will seek to target others, including maritime trade. We believe our seaports and the system of global trade they support are vulnerable, and we believe that the U.S. and the Customs Service must act now to address this threat.

Thank you again for the opportunity to testify here today.